



General Assembly

February Session, 2008

Raised Bill No. 5572

LCO No. 1824

01824_____AGE

Referred to Committee on Select Committee on Aging

Introduced by:
(AGE)

***AN ACT ELIMINATING THE QUALIFYING INCOME REQUIREMENT IN
THE ELDERLY PROPERTY TAX FREEZE PROGRAM.***

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Section 12-170v of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2008, and*
3 *applicable to assessment years commencing on or after October 1, 2008*):

4 (a) Any municipality, upon approval of its legislative body may
5 provide that an owner of real property or any tenant for life or for a
6 term of years liable for property taxes under section 12-48 who meets
7 the qualifications stated in this subsection shall be entitled to pay the
8 tax levied on such property, calculated in accordance with the
9 provisions of subsection (b) of this section for the first year the claim
10 for such tax relief is filed and approved in accordance with the
11 provisions of section 12-170w, as amended by this act, and such person
12 shall be entitled to continue to pay the amount of such tax or such
13 lesser amount as may be levied in any year, during each subsequent
14 year that such person meets such qualifications, and the surviving
15 spouse of such owner or tenant, qualified in accordance with the
16 requirements pertaining to a surviving spouse in this subsection, or

17 any owner or tenant possessing a joint interest in such property with
18 such owner at the time of such owner's death and qualified at such
19 time in accordance with the requirements in this subsection, shall be
20 entitled to continue to pay the amount of such tax or such lesser
21 amount as may be levied in any year, as it becomes due each year
22 following the death of such owner for as long as such surviving spouse
23 or joint owner or joint tenant is qualified in accordance with the
24 requirements in this subsection. After the first year a claim for such tax
25 relief is filed and approved, application for such tax relief shall be filed
26 biennially on a form prepared for such purpose by the assessor of such
27 municipality. Any such owner or tenant who is qualified in accordance
28 with this section and any such surviving spouse or joint owner or joint
29 tenant surviving upon the death of such owner or tenant, shall be
30 entitled to pay such tax in the amount as provided in this section for so
31 long as such owner or tenant or such surviving spouse or joint owner
32 or joint tenant continues to be so qualified. To qualify for the tax relief
33 provided in this section a taxpayer shall meet all the following
34 requirements: (1) On December thirty-first of the calendar year
35 preceding the year in which a claim is filed, be (A) seventy years of age
36 or over, (B) the spouse of a person, seventy years of age or over,
37 provided such spouse is domiciled with such person, or (C) sixty-two
38 years of age or over and the surviving spouse of a taxpayer who at the
39 time of such taxpayer's death had qualified and was entitled to tax
40 relief under this section, provided such surviving spouse was
41 domiciled with such taxpayer at the time of the taxpayer's death, (2)
42 occupy such real property as his or her home, and (3) either spouse
43 shall have resided within this state for at least one year before filing
44 the claim under this section and section 12-170w, [(4) the taxable and
45 nontaxable income of such taxpayer, the total of which shall
46 hereinafter be called "qualifying income", in the tax year of such
47 homeowner ending immediately preceding the date of application for
48 benefits under the program in this section, was not in excess of limits
49 set forth in section 12-170aa, as adjusted annually, evidence of which
50 income shall be submitted to the assessor in the municipality in which

51 application for benefits under this section is filed in such form and
52 manner as the assessor may prescribe. The amount of any Medicaid
53 payments made on behalf of such homeowner or the spouse of such
54 homeowner shall not constitute income. The income of the spouse of
55 such homeowner shall not be included in the qualifying income of
56 such homeowner for purposes of determining eligibility for tax relief
57 under this section, if such spouse is a resident of a health care or
58 nursing home facility in this state, and such facility receives payment
59 related to such spouse under the Title XIX Medicaid program. In
60 addition to the eligibility requirements prescribed in this subsection,
61 any municipality that provides tax relief in accordance with the
62 provisions of this section may impose asset limits as a condition of
63 eligibility for such tax relief] as amended by this act.

64 (b) The tax on the real property for which the benefits under this
65 section are claimed shall be the lower of: The tax due with respect to
66 the homeowner's residence for the assessment year commencing
67 October first of the year immediately preceding the year in which the
68 initial claim for tax relief is made, or the tax due for any subsequent
69 assessment year. If title to real property is recorded in the name of the
70 person or the spouse making a claim and qualifying under this section
71 and any other person or persons, the claimant hereunder shall be
72 entitled to pay the claimant's fractional share of the tax on such
73 property calculated in accordance with the provisions of this section,
74 and such other person or persons shall pay the person's or persons'
75 fractional share of the tax without regard for the provisions of this
76 section. For the purposes of this section, a "mobile manufactured
77 home", as defined in section 12-63a, shall be deemed to be real
78 property.

79 (c) If any person with respect to whom a claim for tax relief in
80 accordance with this section and section 12-170w, as amended by this
81 act, has been approved for any assessment year transfers, assigns,
82 grants or otherwise conveys subsequent to the first day of October, but
83 prior to the first day of August in such assessment year the interest in

84 real property to which such claim for tax relief is related, regardless of
 85 whether such transfer, assignment, grant or conveyance is voluntary or
 86 involuntary, the amount of such tax relief benefit, determined as the
 87 amount by which the tax payable without benefit of this section
 88 exceeds the tax payable under the provisions of this section, shall be a
 89 pro rata portion of the amount otherwise applicable in such
 90 assessment year to be determined by a fraction the numerator of which
 91 shall be the number of full months from the first day of October in
 92 such assessment year to the date of such conveyance and the
 93 denominator of which shall be twelve. If such conveyance occurs in the
 94 month of October the grantor shall be disqualified for such tax relief in
 95 such assessment year. The grantee shall be required within a period
 96 not exceeding ten days immediately following the date of such
 97 conveyance to notify the assessor thereof, or in the absence of such
 98 notice, upon determination by the assessor that such transfer,
 99 assignment, grant or conveyance has occurred, the assessor shall
 100 determine the amount of tax relief benefit to which the grantor is
 101 entitled for such assessment year with respect to the interest in real
 102 property conveyed and notify the tax collector of the reduced amount
 103 of such benefit. Upon receipt of such notice from the assessor, the tax
 104 collector shall, if such notice is received after the tax due date in the
 105 municipality, no later than ten days thereafter mail or hand a bill to the
 106 grantee stating the additional amount of tax due as determined by the
 107 assessor. Such tax shall be due and payable and collectible as other
 108 property taxes and subject to the same liens and processes of
 109 collection, provided such tax shall be due and payable in an initial or
 110 single installment not sooner than thirty days after the date such bill is
 111 mailed or handed to the grantee and in equal amounts in any
 112 remaining, regular installments as the same are due and payable.

113 Sec. 2. Section 12-170w of the general statutes is repealed and the
 114 following is substituted in lieu thereof (*Effective October 1, 2008, and*
 115 *applicable to assessment years commencing on or after October 1, 2008*):

116 (a) No claim shall be accepted under section 12-170v, as amended by

117 this act, unless the taxpayer or authorized agent of such taxpayer files
118 an application with the assessor of the municipality in which the
119 property is located, in such form and manner as the assessor may
120 prescribe, during the period from February first to and including May
121 fifteenth of any year in which benefits are first claimed, including such
122 information as is necessary to substantiate such claim in accordance
123 with requirements in such application. A taxpayer may make
124 application to the assessor prior to August fifteenth of the claim year
125 for an extension of the application period. The assessor may grant such
126 extension in the case of extenuating circumstance due to illness or
127 incapacitation as evidenced by a physician's certificate to that extent,
128 or if the assessor determines there is good cause for doing so. [The
129 taxpayer shall present to the assessor a copy of such taxpayer's federal
130 income tax return and the federal income tax return of such taxpayer's
131 spouse, if filed separately, for such taxpayer's taxable year ending
132 immediately prior to the submission of the taxpayer's application, or if
133 not required to file a federal income tax return, such other evidence of
134 qualifying income in respect to such taxable year as the assessor may
135 require.] Each such application [, together with the federal income tax
136 return and any other information submitted in relation thereto,] shall
137 be examined by the assessor and a determination shall be made as to
138 whether the application is approved. Upon determination by the
139 assessor that the applying homeowner is entitled to tax relief in
140 accordance with the provisions of section 12-170v, as amended by this
141 act, and this section, the assessor shall notify the homeowner and the
142 municipal tax collector of the approval of such application. The
143 municipal tax collector shall determine the maximum amount of the
144 tax due with respect to such homeowner's residence and thereafter the
145 property tax with respect to such homeowner's residence shall not
146 exceed such amount. After a taxpayer's claim for the first year has been
147 filed and approved such taxpayer shall file such an application
148 biennially. In respect to such application required after the filing and
149 approval for the first year the assessor in each municipality shall notify
150 each such taxpayer concerning application requirements by regular

151 mail not later than February first of the assessment year in which such
152 taxpayer is required to reapply, enclosing a copy of the required
153 application form. Such taxpayer may submit such application to the
154 assessor by mail provided it is received by the assessor not later than
155 March fifteenth in the assessment year with respect to which such tax
156 relief is claimed. Not later than April first of such year the assessor
157 shall notify, by certified mail, any such taxpayer for whom such
158 application was not received by said March fifteenth concerning
159 application requirements and such taxpayer shall submit not later than
160 May fifteenth such application personally or for reasonable cause, by a
161 person acting in behalf of such taxpayer as approved by the assessor.

162 (b) Any person knowingly making a false application for the
163 purpose of claiming property tax relief under section 12-170v, as
164 amended by this act, and this section shall be fined not more than five
165 hundred dollars. Any person who fails to disclose all matters relating
166 thereto or with intent to defraud makes a false statement shall refund
167 to the municipality all tax relief improperly taken.

168 (c) Any municipality providing property tax relief under section 12-
169 170v, as amended by this act, and this section may establish a lien on
170 such property in the amount of the total tax relief granted, plus interest
171 applicable to the total of unpaid taxes represented by such tax relief, at
172 a rate to be determined by such municipality. Any such lien shall have
173 a priority in the settlement of such person's estate.

174 (d) Any such property tax relief granted to any such resident in
175 accordance with the provisions of section 12-170v, as amended by this
176 act, and this section shall not disqualify such resident with respect to
177 any benefits for which such resident shall be eligible under the
178 provisions of sections 12-129b to 12-129d, inclusive, 12-129n of the 2008
179 supplement to the general statutes and 12-170aa and any such
180 property tax relief provided under this section shall be in addition to
181 any such benefits for which such resident shall be eligible under
182 sections 12-129b to 12-129d, inclusive, 12-129n of the 2008 supplement

183 to the general statutes and 12-170aa.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2008, and applicable to assessment years commencing on or after October 1, 2008</i>	12-170v
Sec. 2	<i>October 1, 2008, and applicable to assessment years commencing on or after October 1, 2008</i>	12-170w

Statement of Purpose:

To eliminate the qualifying income requirement in the property tax freeze program so that all seniors over the age of seventy may qualify for the program.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]